

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF ALABAMA**

IN RE:

**CHAPTER 13
CASE NO. 16-32259-WRS**

**PETER L. MCCOY, XXX-XX-6648, AND
KIMBERLY MCCOY, XXX-XX-2286,**

Debtors.

TRUSTEE'S RESPONSE TO MOTION TO APPROVE SETTLEMENT

COMES NOW, the Chapter 13 Standing Trustee, by and through the undersigned counsel, and in response to the debtors' motion to approve settlement, states as follows:

The debtors filed a settlement motion on April 10, 2018. The Trustee has no objection to the settlement amount of \$27,000.00. Also, the Trustee has no objection to the attorney fee and attorney expenses being paid so long as the Bankruptcy Administrator recommends it and the Court approves the employment and fees.

The lawsuit attorney, Dan W. Taliaferro, released the net proceeds of \$11,488.25 to the debtors three (3) days after the bankruptcy filing. The settlement motion states that the debtors plan had already been amended to increase payments to the creditors from the net proceeds. The plan filed November 4, 2016 includes a pot of \$1,500.00 for the benefit of unsecured creditors and also states that the unexempt portion of the short-term disability settlement will be committed to unsecured creditors. Schedule C exempts \$5,500.00 for this cause of action. After deduction of taxes from the settlement, the attorney fees and expenses and the debtors' exemption the remaining amount is \$5,988.25. The debtors testified at the 341 hearing on October 6, 2016 that they had received the funds and at the time had approximately \$6,500.00 left. The Trustee has not received any of those proceeds.

WHEREFORE, the above premises considered, the Trustee moves this Honorable Court to either dismiss this case for the Debtors failure to comply with the terms of the confirmed plan or modify the debtors plan to raise the pot to the amount of \$5,988.25.

Respectfully submitted this 2nd day of May, 2018.

Sabrina L. McKinney
Chapter 13 Standing Trustee

BY: /s/ Jessica P. Trotman
Jessica P. Trotman
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CERTIFICATE OF SERVICE

I, Jessica P. Trotman, hereby certify that I have served copies of the foregoing Trustee's Response to Motion to Approve Settlement on the parties listed below by either electronic mail or by placing same in the United States Mail, postage prepaid and properly addressed, this 2nd day of May, 2018.

/s/ Jessica P. Trotman
Jessica P. Trotman

Peter L. & Kimberly McCoy
150 Dogwood Meadows
Wetumpka, AL 36093

Richard D. Shinbaum via electronic mail

Dan W. Taliaferro via electronic mail